



John Elias Baldacci
Governor

Maine Department of Health and Human Services

Office of MaineCare Services
442 Civic Center Drive
11 State House Station
Augusta, ME 04333-0011

John R. Nicholas
Commissioner

J. Michael Hall
Acting Director

December 23, 2005

Dear MaineCare MR Provider:

The State is reconciling the interim payments that have been distributed to providers. The MR Waiver Claims Processing and Interim Payment Recovery Plan is attached to this letter. This document outlines specific dates for action recognizing the importance of the following:

- Routine and reliable payment for MR provider claims
- Submission of all provider held claims
- Finalizing interim payment reconciliation and recovery

Summary of Important Items:

1. **Please submit all claims that you have not submitted by January 15, 2006.** This is a necessary step for you to close open claims as well as enabling the State to determine the amount due to or from you. **Please do not file claims that you have already submitted to the Office of MaineCare Services (OMS).**
2. For claims with dates of service of 12/31/05 or earlier, 100% of approved provider claims, not to exceed the interim payment amounts, will be offset. Regular weekly cycle payments will resume in January for claims with dates of service of 1/1/06 and later; 100% offset will not apply to these claims. A separate recovery agreement will be entered into for unrecovered amounts.
3. To ensure ongoing provider cash flow, the automatic process for interim payments is still in place and will be triggered. Providers who do not receive automatic interim payments and feel they need supplemental cash flows may request an interim payment by calling Greg Nadeau at 207-287-9367.
4. **Please sign and fax to 207-624-5026 the Interim Payment Repayment Agreement as soon as possible, but not later than January 23, 2006.** Please note that this process is for settling interim payments only; disputes relative to claims adjustments and/or claims denials will be addressed as part of normal claims adjudication and payment processes. No reply by January 23, 2006 will be considered as consent.

Please contact Ed Sims of the Interim Payments Reconciliation Team at IPRT@maine.gov or at 207-287-5001 with questions or concerns. Thank you for your continued cooperation throughout this process.

Sincerely,

John Michael Hall
Acting Director, Office of MaineCare Services

**Maine Department of Health and Human Services
Office of MaineCare Services
Interim Payment Recovery Agreement**

Provider Name: _____ Provider Number: _____

Provider Contact: _____ Phone: _____

Please note: Providers will receive a statement of the anticipated settlement amount prior to any offset occurring.

I agree to the reduction of the interim payment balances as indicated in the MR Waiver Claims Processing and Interim Payment Recovery Plan. I understand that any unrecovered amount will be subject to a separate recovery agreement.

Signature: _____ Date: _____

Print Name: _____

Sign this letter as soon as possible, but not later than January 23, 2006, and return it by fax or mail to the following:

Fax: 207-624-5026
Attn: Interim Payment Reconciliation Team
Division of Policy & Provider Services
11 State House Station
Augusta, ME 04333-0011

MR Waiver Claims Processing and Interim Payment Recovery Plan

A plan for reconciling interim payments for MR providers has been developed with the MR provider community (Charlotte White, Goodwill, OHI, Support Solutions, Green Valley, and Port Resources). The purpose of this plan is to: a) ensure cash flow for MR providers; b) maintain the MaineCare fund allocation predictability; c) allow providers to reconcile their books; and d) allow payments to be attributed to specific claims.

The Department is in the process of completing the necessary system fixes as a result of implementation of rate changes in July

The MR waiver is a \$200M program. Also \$170M of claims have been successfully processed. Last week \$17M in W125 claims were paid. It is estimated that \$70M of MR claims are in suspension or held. There have been approximately \$100M paid in interim payments to MR providers.

- The goal is to have three weeks (weeks ending 1/20, 1/27, and 2/3) of “clean” claims processing (defined as at least 80% payment of claims). Continue to bill your regular weekly cycle. Regular weekly cycle payments will begin in January for claims with dates of services of 1/1/06 and later.
- Providers should only bill for those consumers and at those rates for which they have approval and agreement with their resource coordinators.
- Providers will complete and submit their held billings by January 15, 2006. This will allow for an offset between interim payments and actual claims owed. If providers still have disputed rates/claims, follow up billing will proceed consistent with the MaineCare regulations.
- By 1/23/06 providers will receive an analysis showing:
 - What has been paid in interim payments.
 - How much money is attributable to held and/or suspended claims.

One hundred percent of the approved provider claims, not to exceed the interim payment totals, will be offset. There will either be an amount due the State or a zero balance. The 100% offset will not apply to claims with dates of service beginning 01/01/2006. The release of older claims and the subsequent offset is targeted for early February.

- There will be no RAs until February at the earliest for previously suspended claims that have been reconciled.
- During this period, interim payments will be available for providers who need them. MECMS monitors payments to providers. When claim payments fall below a provider’s average weekly payment, and the provider is not “ahead” on a year to date basis compared to historical averages, the system will automatically adjust and add an interim payment. This will happen only when a provider has chosen to receive interim payments. If a provider has stopped interim payments, there will not be an automatic interim payment. Because of the amount of money that has been paid to some providers, it is recommended that a provider discontinue interim payments if a considerable positive balance (interim payments owed to the State exists).

We truly appreciate your patience and support as we work to bring closure to these important issues.

RIGHTS OF APPEAL

Informal review

If you disagree with the plan outlined, you may request an informal review by the Director of the Office of MaineCare Services according to the MaineCare Benefits Manual, Chapter I, Section 1.21. Such a request must be made by writing to J. Michael Hall, Deputy Commissioner of Health, Integrated Access and Strategy, Acting Director, Office of MaineCare Services, and mailed to the following address:

Office of MaineCare Services
11 State House Station
Augusta, ME 04333-0011

Any request for informal review must be received at the address stated above no later than thirty (30) days from the date of receipt of this letter. A written report of the decision resulting from this informal review will be issued to you. Failure to request an informal review within this period of time shall constitute a waiver of any right of further appeal with respect to the above decision by the Department of Health and Human Services.

Administrative Hearing

If you do not agree with the informal review decision, you may request an administrative hearing by writing to the Commissioner, Department of Health and Human Services, within thirty (30) days of your receipt of the informal review decision, pursuant to the MaineCare Benefits Manual, Chapter I, Section 1.21. Such a hearing will be held before an impartial hearing officer in conformity with the Maine Administrative Procedures Act, 5 M.R.S.A. Section 8001 *et. seq.*, and the Department's Administrative Hearing Manual. You will have the right to be represented at the hearing by an attorney or other representative of your choice. You will also have the right to call witnesses, cross-examine opposing witnesses, and to receive a written decision based upon the evidence presented. Only those issues raised during the informal review will be considered at the formal hearing.

Pursuant to 22 M.R.S.A. Section 1714-A, the Department of Health and Human Services may proceed to collect the amount owed through administrative offset, lien and foreclosure, or other collection action once the debt becomes collectable. A debt is collectible thirty-one (31) days after exhaustion of all administrative appeals and any judicial review available under 5 M.R.S.A. Section 8001 *et. seq.*

ADMINISTRATIVE AUTHORITY

As an authorized MaineCare provider/supplier, you are obligated to adhere to the terms and conditions contained in the MaineCare Benefits Manual.

Chapter 1, Section 1.16 D of the MaineCare Benefits Manual, outlines the Program Integrity Unit's responsibilities for review.

Chapter I, Section 1.03-1 K, Requirements of Provider Participation states in part “Maintain and retain financial, provider, and professional records sufficient to fully and accurately document the nature, scope and details of the health care and/or related service provided to each individual MaineCare member. Records must be consistent with the unit of service specified in the applicable policy covering that service.”

Chapter I, Section 1.03-1 Q requires; “Complying with requirements of applicable Federal and State law, and with the provisions of this Manual.”

Chapter I, Section 1.03-1 W requires: “Maintain accurate and auditable financial and statistical records which are in sufficient detail for days actually billed to substantiate costs for a period of not less than three (3) years...These records of the provider shall include, but not be limited to: matters of provider ownership, asset acquisition, lease sale or other action; matters pertaining to cost of operation; ...and flow of funds.”

Chapter I, Section 1.03-1 states; “Providers who fail to comply with these requirements may be sanctioned by the Department in accordance with section 1.19.”